

8739

**THIRTY-SECOND JUDICIAL DISTRICT COURT  
TERREBONNE PARISH, LOUISIANA  
ANNUAL FINANCIAL REPORT  
DECEMBER 31, 2011**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date JUL 11 2012

**THIRTY-SECOND JUDICIAL DISTRICT COURT**  
**TERREBONNE PARISH, LOUISIANA**  
ANNUAL FINANCIAL REPORT  
December 31, 2011

TABLE OF CONTENTS

	PAGE
List of Judges and Officials	
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b>	1
<b>FINANCIAL SECTION</b>	
<i>Independent Auditor's Report</i>	7
<i>Basic Financial Statements:</i>	
<b><i>Government-Wide Financial Statements:</i></b>	
Statement of Net Assets	9
Statement of Activities	10
<b><i>Fund Financial Statements:</i></b>	
Balance Sheet – Governmental Funds	11
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	12
<i>Notes to Financial Statements</i>	13
<b>REQUIRED SUPPLEMENTAL INFORMATION SECTION</b>	
Budget Comparison Schedule - General Fund	26
Budget Comparison Schedule – Court Fund	27
Budget Comparison Schedule – IV-D Program Fund	28
<b>REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS</b>	
Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Basic Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	29
Schedule of Current Year Findings and Questioned Costs	31

**THIRTY-SECOND JUDICIAL DISTRICT COURT**  
**Terrebonne Parish, Louisiana**

As of and for the year ended December 31, 2011

**JUDGES**

*Division A*

*George J. Larke, Jr.*

*Division B*

*John R. Walker*

*Division C*

*Timothy C. Ellender*

*Division D*

*David W. Arceneaux*

*Division E*

*Randall L. Bethancourt*

**OFFICIAL**

*District Court Coordinator*

*Jennie R. Callahan*

**THIRTY-SECOND JUDICIAL DISTRICT COURT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
*For the Year Ended December 31, 2011*

This discussion and analysis of the Thirty-Second Judicial District Court's financial performance provides an overview of the financial activities as of and for the fiscal year ended December 31, 2011. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

**FINANCIAL HIGHLIGHTS**

Our financial statements provide these insights into the results of this year's operations:

- Net assets decreased slightly as a result of this year's operations. Net assets of our governmental activities decreased by \$57,035, approximately 1 percent. As a result of this year's operations assets exceeded liabilities by \$5,520,998 (net assets).
- During the year, expenses were \$75,622 more than the revenue generated in program revenues and operating grants for governmental programs. This compares to last year when expenses exceeded revenues by \$403,439.
- As of the close of the current fiscal year, the governmental funds reported combined ending fund balances of \$5,305,061, an increase of \$89,756 over the previous fiscal year. The entire total is unassigned.

**USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (Government-Wide Financial Statements) provide information about the activities as a whole and present a longer-term view of the finances. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds (Fund Financial Statements) tell how services were financed in the short term as well as what remains for future spending. Fund financial statements also report the operations in more detail than the government-wide statements by providing information about the most significant funds.

Our auditor has provided assurance in his independent auditor's report that the basic financial statements are fairly stated. The auditor, regarding the Required Supplemental Information and the Other Supplemental Information is providing varying degrees of assurance. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Annual Report.

**THIRTY-SECOND JUDICIAL DISTRICT COURT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
*For the Year Ended December 31, 2011.*

***Government-Wide Financial Statements***

The government-wide financial statements are designed to provide readers with a broad overview of the finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as an indicator of whether the financial position is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues, governmental activities, from other functions that are intended to recover all or a significant portion of their costs through user fees and charges, business-type activities. The governmental activities include judicial activities.

***Fund Financial Statements***

The fund financial statements provide detailed information about the most significant funds—not as a whole. Some funds are required to be established by State laws.

The Thirty-Second Judicial District Court uses only the governmental type of fund with the following accounting approach. Most of the basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in reconciliation at the bottom of the fund financial statements.

**THIRTY-SECOND JUDICIAL DISTRICT COURT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
*For the Year Ended December 31, 2011*

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, over time, net assets may serve as a useful indicator of a government's financial position. In the case of the Thirty-second Judicial District Court, assets exceeded liabilities by \$5,520,998 at the close of the most recent fiscal year which is a slight decrease of \$57,723 during the fiscal year. Further, the District Court is able to report positive balances in all categories of net assets, for the government as a whole.

Our analysis below focuses on the net assets and changes in net assets of the governmental-type activities:

<b>Condensed Statement of Net Assets</b>				
	FY 2010	FY 2011	Dollar Change	Percent Change
<b>Current and Other Assets</b>	\$5,265,239	\$ 5,334,774	\$ 69,536	1.3%
<b>Capital Assets</b>	362,728	313,482	(49,246)	-13.6%
<b>Total Assets</b>	5,627,967	5,648,256	20,289	0.4%
<b>Current Liabilities</b>	49,934	29,713	(20,221)	-40.5%
<b>Other Noncurrent Liabilities</b>	-	97,545	97,545	100.0%
<b>Total Liabilities</b>	49,934	127,258	77,324	-13.6%
<b>Invested in Capital Assets</b>	362,728	313,482	(49,246)	-1.1%
<b>Unrestricted</b>	5,265,239	5,207,516	(57,723)	-1.1%
<b>Total Net Assets</b>	\$5,627,967	\$ 5,520,998	\$ (106,969)	-1.9%

A portion of net assets, \$313,482 or 5.68%, reflects its investment in capital assets (e.g., office furniture and equipment, and intangible assets - software). As the District Court uses these capital assets to provide services to citizens, these assets are not available for future spending. The remaining balance of unrestricted net assets, \$5,207,516 or 94.32%, may be used to meet the government's ongoing obligations.

Program expenses decreased by approximately 13% from the prior year.

Program revenues increased slightly - \$2,075 due to increased collections of court fines and child support fees. General revenues consisted of interest earned, which decreased significantly due to the economic situation of the economy.

**THIRTY-SECOND JUDICIAL DISTRICT COURT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
*For the Year Ended December 31, 2011*

<b>Condensed Statement of Activities</b>				
	FY 2010	FY 2011	Dollar Change	Percent Change
<b>Total program expenses</b>	\$(2,388,778)	\$ (2,063,036)	\$ (325,742)	-13.6%
<b>Total program revenues</b>	1,985,339	1,987,414	2,075	0.1%
<b>Net program income</b>	(403,439)	(75,622)	327,817	-81.3%
<b>General revenues</b>	47,455	18,587	(28,868)	-60.8%
<b>Change in Net Assets</b>		(57,035)	298,948	-84.0%
	(355,984)			
<b>Net Assets:</b>				
<b>Beginning of the year</b>	5,934,017	5,578,033	(355,984)	-6.0%
<b>End of the year</b>	\$ 5,578,033	\$ 5,520,998	\$ (57,035)	-1.0%

**FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District Court, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District Court are categorized as governmental. Fund financial reports provide detailed information about the major funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, the readers may better understand the long-term effect of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

**THIRTY-SECOND JUDICIAL DISTRICT COURT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
*For the Year Ended December 31, 2011*

The major governmental funds are the General Fund, the District Court Fund and the IV-D Program Fund:

The **General Fund** is the operating fund. The unassigned portion of \$3,324,955 represented 250% of total general fund expenditures, and is considered available to fund future programs and activities. Revenues of fines and fees, interest and miscellaneous totaled \$1,375,027 and increased over 10%, while total expenditures of \$1,332,360 also increased by approximately 3%.

The **District Court Fund** fund balance increased by \$16,004 or 4% from the prior year. Revenues of court fines and fees and interest earned in this fund decreased significantly by over \$95,000, while total expenditures decreased slightly by over \$31,000 from the prior year.

The **IV-D Program Fund** ended the year with an assigned fund balance of \$2,600,288 a slight increase of \$31,085 from the prior year. Revenues collected for child support decreased by 10% while expenditures decreased by over 50% to end the year with \$31,085 more of revenues than expenditures.

#### **GENERAL FUND BUDGETARY HIGHLIGHTS**

The original budget for the General Fund was not revised during the year.

Final budgeted revenues for the General Fund when compared to the budget were within 13 percent. Payments received on behalf for salaries and benefits paid by Terrebonne Parish Consolidated Government were over \$200,000 under budgeted for revenue and under budgeted for expenditures that caused most of the variance.

#### **CAPITAL ASSETS**

Capital assets recorded at a cost of \$795,893, net of accumulated depreciation and amortization of \$482,411 for governmental activities at year-end were \$313,482. This year there was \$45,332 of additions of computers, office furniture and courtroom improvements to capital assets, including \$16,125 of intangible assets of computer software. Assets over \$500 are capitalized in accordance with management's policies. Depreciation of \$91,154 and amortization of \$2,543 was recorded on capital assets.

At the end of the year, the capital asset listing was updated for old equipment – mostly computers that were not being used and consequently should not be on the asset listing. Most of the cost of the old equipment was fully depreciated (all but \$881). More detailed information about the capital assets is presented in Note 4 to the financial statements.

**THIRTY-SECOND JUDICIAL DISTRICT COURT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
*For the Year Ended December 31, 2011*

**DEBT**

At year-end, the Thirty-Second Judicial District Court had no debt outstanding.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

Many factors were considered when budgeting for the current fiscal year. Possible new laws and regulations, increased rates and fees that would be charged were all considered.

Historically, the office staff and costs remain stable and should continue to do so. The Terrebonne Parish Council in their current operating budget absorbs some capital asset purchases and other operating expenses. If these estimates remain consistent, the Thirty-Second Judicial District Court's General Fund balance is expected to increase accordingly by the close of 2012.

Highlights of next year's General Fund budget include:

**Condensed Summary of Budgeted Finances**

	<u>FY 2012</u>
<b>Anticipated revenues</b>	\$1,145,000
<b>Expenditures:</b>	
Current	<u>1,123,000</u>
Excess of revenues	22,000
<b>Fund Balance:</b>	
Beginning of the year	<u>3,316,393</u>
End of the year	<u><u>\$3,338,393</u></u>

**CONTACTING FINANCIAL MANAGEMENT**

This financial report is designed to provide a general overview of the Thirty-Second Judicial District Court's finances and to show accountability for the money it received. If you have questions about this report or need additional financial information, contact:

Jennie R. Callahan, District Court Coordinator  
P.O. Box 461,  
Houma, LA 70361  
Phone number 985-873-6589.

## ***FINANCIAL SECTION***



# STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

---

## **INDEPENDENT AUDITOR'S REPORT**

To the Judges of the Thirty-Second Judicial District Court  
Terrebonne Parish, Louisiana

We have audited the accompanying financial statements of the governmental activities and each major fund of the Thirty-Second Judicial District Court, a component unit of the Terrebonne Parish Consolidated Government; as of and for the year ended December 31, 2011 which collectively comprise the basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Thirty-Second Judicial District Court. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of the Thirty-Second Judicial District Court as of December 31, 2011, and the respective changes in financial position for the year then ended, in conformity with auditing standards generally accepted in the United States of America.

To the Judges of the Thirty-Second Judicial District Court  
Independent Auditor's Report  
Page 2

In accordance with *Government Auditing Standards*, we have also issued a report dated March 14, 2012, on our consideration of the Thirty-Second Judicial District Court's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and the Required Supplementary Information, as listed in the foregoing table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements is required by the Government Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Stagni & Company*

Thibodaux, Louisiana  
March 14, 2012



**THIRTY-SECOND JUDICIAL DISTRICT COURT**  
**TERREBONNE PARISH, LOUISIANA**  
*Statement of Net Assets - Governmental Activities*  
*December 31, 2011*

<b>ASSETS</b>	
Cash	\$ 1,535,613
Investments	3,761,907
Interest receivable	9,140
Due from other governments	28,114
Capital Assets, net of depreciation	<u>313,482</u>
<b>TOTAL ASSETS</b>	<u><u>5,648,256</u></u>
 <b>LIABILITIES</b>	
Accounts payable	5,662
Due to other governments	24,051
Other noncurrent liability - net other postemployment benefit liability	<u>97,545</u>
<b>TOTAL LIABILITIES</b>	<u>127,258</u>
 <b>NET ASSETS</b>	
Invested in capital assets	313,482
Unrestricted	<u>5,207,516</u>
<b>TOTAL NET ASSETS</b>	<u><u>\$ 5,520,998</u></u>

See Notes to Financial Statements.

**THIRTY-SECOND JUDICIAL DISTRICT COURT**

*Statement of Activities - Governmental Activities*

*For the Year Ended December 31, 2011*

**EXPENSES - Judicial:**

Salaries and benefits	\$	1,445,864
Office operations		408,725
Court room operations		114,750
Depreciation		93,697
Total program expenses		<u>2,063,036</u>

**PROGRAM REVENUES**

Charges for services		1,037,355
Operating grants		950,059
Total program revenues		<u>1,987,414</u>

Net Program (Income) Expense (75,622)

**GENERAL REVENUES**

Interest earned		18,587
Total general revenues		<u>18,587</u>

Change in Net Assets (57,035)

**NET ASSETS**

Beginning of year		5,578,033
End of year	\$	<u>5,520,998</u>

**THIRTY-SECOND JUDICIAL DISTRICT COURT  
TERREBONNE PARISH, LOUISIANA**

*Balance Sheet - Governmental Funds  
December 31, 2011*

	General Fund	Court Fund	IV-D Program	Total Governmental Funds
<b>ASSETS</b>				
Cash	\$ 848,219	\$ 24,571	\$ 662,823	\$ 1,535,613
Investments	2,462,742	355,083	944,082	3,761,907
Interest receivable	6,314	1,599	1,227	9,140
Due from other governments	28,114	-	-	28,114
<b>TOTAL ASSETS</b>	<b><u>\$3,345,389</u></b>	<b><u>\$381,253</u></b>	<b><u>\$1,608,132</u></b>	<b><u>\$5,334,774</u></b>
<b>LIABILITIES AND FUND BALANCES</b>				
Accounts payable and accrued liabilities	\$ 5,152	\$ -	\$ 510	\$ 5,662
Due to other governments	15,282	-	8,769	24,051
<b>TOTAL LIABILITIES</b>	<b><u>20,434</u></b>	<b><u>-</u></b>	<b><u>9,279</u></b>	<b><u>29,713</u></b>
<b>FUND BALANCES:</b>				
Assigned	-	-	1,598,853	1,598,853
Unassigned	3,324,955	381,253	-	3,706,208
<b>TOTAL FUND BALANCES</b>	<b><u>3,324,955</u></b>	<b><u>381,253</u></b>	<b><u>1,598,853</u></b>	<b><u>5,305,061</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 3,345,389</u></b>	<b><u>\$ 381,253</u></b>	<b><u>\$ 1,608,132</u></b>	

**RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE  
SHEET TO STATEMENT OF NET ASSETS:**

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.

Add - Capital Assets	795,893	
Deduct - Accumulated Depreciation & Amortization	<u>(482,411)</u>	<u>313,482</u>

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.

Deduct - OPEB liability	(97,545)
<b>Net assets of governmental activities</b>	<b><u>\$ 5,520,998</u></b>

See notes to financial statements.

**THIRTY-SECOND JUDICIAL DISTRICT COURT**  
**TERREBONNE PARISH, LOUISIANA**  
*Statement of Revenues, Expenditures, and Changes in Fund Balances -*  
*Governmental Funds*  
For the Year Ended December 31, 2011

	General Fund	Court Fund	IV-D Program	Totals
<b>REVENUES</b>				
Court Fines & Fees	\$ 413,218	\$ 78,106	\$ -	\$ 491,324
Child Support Fees	-	-	546,031	546,031
Interest	11,750	2,396	5,322	19,468
Payments received on behalf	950,059	-	-	950,059
	<u>1,375,027</u>	<u>80,502</u>	<u>551,353</u>	<u>2,006,882</u>
<b>EXPENDITURES - JUDICIAL:</b>				
	1,375,027	80,502	551,353	
<b>Current</b>				
Salaries and benefits	258,548	-	139,712	398,260
Salary and benefit payments on behalf	950,059	-	-	950,059
Accounting and auditing	2,167	2,167	2,167	6,501
IV-D Program	-	-	218,115	218,115
Office operations	2,646	1,383	79,439	83,468
Court room operations	62,051	19,629	15,244	96,924
Division A	-	2,934	-	2,934
Division B	-	4,337	-	4,337
Division C	-	3,195	-	3,195
Division D	-	1,787	-	1,787
Division E	-	5,573	-	5,573
Miscellaneous	-	10,556	-	10,556
Insurance	56,889	-	33,196	90,085
	<u>1,332,360</u>	<u>51,581</u>	<u>487,873</u>	<u>1,871,794</u>
Capital outlay	-	12,937	32,395	45,332
Total Expenditures	<u>1,332,360</u>	<u>64,498</u>	<u>520,268</u>	<u>1,917,126</u>
Net change in fund balance	42,667	16,004	31,085	89,756
<b>FUND BALANCES</b>				
Beginning of year	3,282,288	365,249	1,567,768	5,215,305
End of year	<u>\$ 3,324,955</u>	<u>\$ 381,253</u>	<u>\$ 1,598,853</u>	<u>\$ 5,305,061</u>

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES:**

Net change in fund balances—total governmental funds from above \$ 89,756

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Add - Capital outlays	45,332	
Deduct gain on old equipment	(881)	
Deduct - Depreciation expense	<u>(93,697)</u>	(48,246)

Some expenses reported in the government-wide statement of activities do not require the use of current financial resources, and, therefore, are not reported as expenditures in the governmental funds.

Deduct - Increase in OPEB Liability	(97,545)	
Change in net assets - governmental activities	<u>\$ (57,035)</u>	

See notes to financial statements.

**THIRTY-SECOND JUDICIAL DISTRICT COURT  
TERREBONNE, PARISH LOUISIANA**

Notes to Financial Statements  
For the Year Ended December 31, 2011

***Introduction***

The Thirty-Second Judicial District Court is a level of the judicial branch of government and is charged with trying all cases that involve the government and with the administration of justice within its jurisdiction, which encompasses all of Terrebonne Parish. The Thirty-Second Judicial District Court is comprised of five (5) independently elected judges with 6 year-terms.

**Note 1                      Summary of Significant Accounting Policies**

**A.      Basis of Presentation**

The accompanying basic financial statements have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**B.      Reporting Entity**

Thirty-Second Judicial District Court judges are independently elected officials. However, the Thirty-Second Judicial District Court is fiscally dependent on the Terrebonne Parish Consolidated Government for office space, courtrooms, and related utility costs, as well as partial funding of salary costs.

The accompanying financial statements present information only on the funds maintained by the Thirty-Second Judicial District Court and do not present information on the Terrebonne Parish Consolidated Government, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

**C.      Fund Accounting**

The accounting system is organized and operated on a fund basis whereby a separate self-balancing set of accounts is maintained for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The various funds in the financial statements in this report are grouped into two broad categories as follows:

**THIRTY-SECOND JUDICIAL DISTRICT COURT  
TERREBONNE, PARISH LOUISIANA**

Notes to Financial Statements  
For the Year Ended December 31, 2011

**Note 1**                      **Summary of Significant Accounting Policies (Continued)**

**C. Fund Accounting (Continued)**

**Governmental Fund Types**

Governmental funds account for all or most of the general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources that may be used to finance future period programs or operations. The following are the Thirty-Second Judicial District Court's governmental funds:

**The General Fund** – The Law Clerk Fund was established under the provisions of Title 13 of the Louisiana Revised Statutes of 1950, and provides for the collection of a sum, not to exceed twenty dollars (\$20) from the persons filing any type of civil suit and in criminal cases from defendants who are convicted or plead guilty. These monies may be used for the salaries of law clerks, clerical, research and administrative personnel. The funds may also be used to pay for the cost of establishing and maintaining a law library and for the purchase of equipment or supplies for the efficient operation of the court. No monies may be used for the salaries of any judges.

**The Court Fund** - The Court Fund was established under the provisions of Title 22 of the Louisiana Revised Statutes of 1950, and provides for the collection of a fee on the premiums for all commercial surety underwriters who write criminal bail bonds in the state of Louisiana. The fee currently is two hundred dollars (\$200) for each ten thousand dollars (\$10,000) or 2% worth of liability underwritten by the commercial surety.

**The IV-D Program Fund** – The IV-D Program Fund was established under the provisions of Title 46 of the Louisiana Revised Statutes of 1950, and provides for the collection of a fee of five percent of all existing and future support obligations to fund the administrative costs. The fee may be assessed and collected against existing and future arrearages as well as ongoing support payments, whether or not an arrearage exists.

**THIRTY-SECOND JUDICIAL DISTRICT COURT  
TERREBONNE, PARISH LOUISIANA**

Notes to Financial Statements  
For the Year Ended December 31, 2011

**Note 1**                      **Summary of Significant Accounting Policies (Continued)**

**D. Measurement Focus / Basis of Accounting**

**Fund Financial Statements (FFS)**

The amounts reflected in fund financial statements, are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of operations.

The amounts reflected in the fund financial statements, use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The court considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

**Revenues** – Court fines and fees, child support fees, and interest are recorded when earned and measurable.

**Expenditures** – The major expenditures of salaries and benefits, and court processing and clerk fees are recorded when the salary is earned and payable or when the fees are incurred.

**Government-Wide Financial Statements (GWFS)**

The government-wide financial statements display information as a whole. These statements include all the financial activities. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed).

**THIRTY-SECOND JUDICIAL DISTRICT COURT  
TERREBONNE, PARISH LOUISIANA**

Notes to Financial Statements  
For the Year Ended December 31, 2011

**Note 1      Summary of Significant Accounting Policies (Continued)**

**D.      Measurement Focus / Basis of Accounting (Continued)**

**Government-Wide Financial Statements (GWFS) (Continued)**

Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*.

**Program Revenues** - Program revenues included in the column labeled Statement of Activities are derived directly from users as a fee for services; program revenues reduce the cost of the function to be financed from the general revenues.

**E.      Budgets**

The Thirty-Second Judicial District Court follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The adopted budget is prepared on a modified accrual basis of accounting, which is a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds, as required by State Statute.
2. Unused appropriations budgeted lapse at the end of the year.
3. The budget amounts shown in the budgetary comparison schedules are the final authorized amounts. There were no amendments during the year.

**F.      Cash and Cash Equivalents**

Cash includes amounts in regular and money market accounts. Cash equivalents include amounts in certificates of deposit and securities with original maturities of 90 days or less when purchased.

**THIRTY-SECOND JUDICIAL DISTRICT COURT  
TERREBONNE, PARISH LOUISIANA**

Notes to Financial Statements  
For the Year Ended December 31, 2011

**Note 1      Summary of Significant Accounting Policies (Continued)**

**G.      Investments**

Investments are reported at fair value except for: (1) short-term and money market investments, consisting primarily of U.S. Treasury obligations with a maturity of one year or less at time of purchase, which are reported at cost, which approximates fair value, and (2) the Louisiana Asset Management Pool (LAMP) investment which is a local government 2a7-like pool administered by a non-profit corporation organized under State of Louisiana law, which is permitted to be carried at amortized cost. Investments policies are governed by state statutes.

**H.      Capital Assets**

Capital assets are capitalized at historical cost or estimated if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The court maintains a threshold level of \$500 or more for capitalizing capital assets. Capital assets are recorded in the GWFS. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Office Equipment	5 years
Furniture	10 years

**I.      Compensated Absences**

All individuals who work at the Thirty-Second Judicial District Court are primarily employees of the Terrebonne Parish Consolidated Government; therefore, no liability for compensated absences is recorded in these financial statements. Vacation and sick leave do not accumulate.

**J.      Restricted Net Assets**

For government-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use are either:

1. externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; and
2. imposed by law through constitutional provisions or enabling legislation.

**THIRTY-SECOND JUDICIAL DISTRICT COURT  
TERREBONNE, PARISH LOUISIANA**

Notes to Financial Statements  
For the Year Ended December 31, 2011

**Note 1      Summary of Significant Accounting Policies (Continued)**

**K.      Fund Equity**

Governmental fund equity is classified as fund balance. Fund balance is further classified as non-spendable, restricted, committed, assigned, or unassigned. Non-spendable fund balance cannot be spent because of its form. Restricted fund balance has limitations imposed by creditors, grantors, or contributors or by enabling legislation or constitutional provisions. Committed fund balance is a limitation imposed by the Judges through approval in minutes. Assigned fund balances is a limitation imposed by a designee of the Judges. Unassigned fund balance in the General Fund is the net resources in excess of what can be properly classified in one of the above four categories. Negative unassigned fund balance in other governmental funds represents excess expenditures incurred over the amounts restricted, committed, or assigned to those purposes.

**L.      Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

**Note 2      Deposits**

The year-end balances of deposits are as follows:

	Bank Balances	Reported Amount
Cash	\$1,490,322	\$1,535,613
Certificates of Deposits (reported as investments)	2,818,046	2,818,047
<b>Totals</b>	<b>\$5,252,368</b>	<b>\$5,297,520</b>

State law requires deposits (cash & certificates of deposit) of all political subdivisions to be fully collateralized at all times. Acceptable collateralization includes the FDIC insurance and the market value of securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana, and certain political subdivisions are allowed as security for deposits.

**THIRTY-SECOND JUDICIAL DISTRICT COURT  
TERREBONNE, PARISH LOUISIANA**

Notes to Financial Statements  
For the Year Ended December 31, 2011

**Note 2      Deposits (Continued)**

Obligations furnished, as security must be held by the political subdivision or with an unaffiliated bank or trust company for the account of the political subdivision. At year-end deposits were collateralized by securities held by unaffiliated banks for the account of the depositors. The Governmental Accounting Standards Board (GASB), which promulgates the standards for accounting and financial reporting for state and local governments, considers these securities subject to custodial credit risk.

Custodial credit risk is the risk that in the event of a bank failure, deposits may not be returned to it. As of December 31, 2011, \$3,308,369 of the bank balance was exposed to custodial credit risk. These deposits were uninsured and collateralized with securities held by the pledging financial institution, or its trust department or agent, but not in the District Court's name. The bank has pledged securities in the District Court's name of \$3,041,204.

Even though the pledged securities are considered subject to custodial credit risk under the provisions of GASB Statement 40, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the district that the fiscal agent has failed to pay deposited funds upon demand.

**Note 3      Investments**

State statutes authorize investing in obligations of the US Treasury, agencies, and instrumentalities; guaranteed investment contracts and investment grade (A-1/P-1) commercial paper of domestic corporations; repurchase agreements; and the Louisiana Asset Management Pool (LAMP).

At year-end the investment balances were as follows:

Investment Type	Fair Value	Matures in less than 1 year
Certificates of Deposits	\$2,818,046	\$2,818,046
Louisiana Asset Management Pool (LAMP)	943,861	943,999
<b>Total</b>	<b>\$3,761,907</b>	<b>\$3,762,045</b>

**THIRTY-SECOND JUDICIAL DISTRICT COURT  
TERREBONNE, PARISH LOUISIANA**

Notes to Financial Statements  
For the Year Ended December 31, 2011

**Note 3      Investments (Continued)**

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investments in external investment pools are not exposed to custodial credit risk because of their natural diversification and the diversification required by the Securities and Exchange Commission.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33:2955.

GASB Statement No. 40 Deposit and Investment Risk Disclosure, requires disclosure of credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk for all public entity investments.

LAMP is a 2a7-like investment pool. The following facts are relevant for 2a7-like investment pools:

- **Credit risk:** LAMP is rated AAAm by Standard & Poor's
- **Custodial credit risk:** LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, not disclosure is required.
- **Concentration of credit risk:** Pooled investments are excluded from the 5 percent disclosure.
- **Interest rate risk:** LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 60 days, and consists of no securities with a maturity in excess of 397 days. The WAM of LAMP's total investments is 80 as of December 31, 2011.
- **Foreign currency risk:** Not applicable to 2a7-like pools.

**THIRTY-SECOND JUDICIAL DISTRICT COURT  
TERREBONNE, PARISH LOUISIANA**

Notes to Financial Statements  
For the Year Ended December 31, 2011

**Note 3 Investments (Continued)**

The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company. If you have any questions, please feel free to contact the LAMP administrative office at 800-249-5267.

**Note 4 Capital Assets**

Capital assets and depreciation activity for the year is as follows:

Governmental Activities	Beginning Balance	Additions	Deletions	Ending Balance
Furniture and Equipment	\$847,897	\$29,207	\$(111,923)	\$765,181
Intangible assets	14,587	16,125	-	30,712
Total cost of assets	862,484	45,332	(111,923)	795,893
Less accumulated depreciation on Furniture & Equipment	(499,091)	(91,154)	111,042	(479,203)
Less amortization on Intangible assets	(665)	(2,543)	-	(3,208)
Total depreciation and amortization	(499,756)	(93,697)	111,042	(482,411)
Furniture & Equipment, net	\$362,728			\$313,482

At the end of the year, the capital asset listing was updated for old equipment – mostly computers that were not being used and consequently should not be on the asset listing. Most of the cost of the old equipment was fully depreciated (all but \$881). Depreciation expense for the year recorded for governmental activities was \$91,154 and amortization of intangible assets (computer software) was \$2,543.

**THIRTY-SECOND JUDICIAL DISTRICT COURT  
TERREBONNE, PARISH LOUISIANA**

Notes to Financial Statements  
For the Year Ended December 31, 2011

**Note 5      *On-behalf Payments & Other Costs***

GASB Statement 24 requires that on-behalf payments for fringe benefits and salaries be recognized as revenue and expenditures or expenses and that the notes to the financial statements disclose the amounts recognized. On-behalf payments include pension plan contributions, employee health and life insurance premiums, and salary supplements or stipends. Employees of the Thirty-Second Judicial District Court received on-behalf payments from Terrebonne Parish Consolidated Government of \$950,059 for salaries and benefits. Revenue and expenditure for on-behalf salaries and benefits has been recognized in general fund for these payments.

The Terrebonne Parish Consolidated Government also pays certain operating costs of the Thirty-Second Judicial District Court, such as utilities for the office space and courtrooms and capital type items. Except for on-behalf payments for salaries and benefits, these costs are not recognized as expenditures by the Thirty-Second Judicial District Court and accordingly, are not included in the basic financial statements.

**Note 6      *Risk Management***

The Thirty-Second Judicial District Court is exposed to various risks of loss related to tort; theft of, damage to, or destruction of assets; errors and omissions; and injuries to the public; and natural disasters. To protect against these risks, commercial or other insurance has been purchased for the losses to which it is exposed.

**Note 7      *Pension Plans***

All individuals who work at Thirty-Second Judicial District Court are primarily paid by the Terrebonne Parish Consolidated Government and are consequently members of the State Parochial Employees Retirement System of Louisiana and the Louisiana State Employees Retirement System. GASB requires certain disclosures for employers who maintain retirement plans for their employees. Others who disclose the required retirement plan information in their separately issued financial statements primarily compensate all individuals employed at the Thirty-Second Judicial District Court. The retirement plan mentioned above is administered and controlled by a separate board of trustees.

**THIRTY-SECOND JUDICIAL DISTRICT COURT  
TERREBONNE, PARISH LOUISIANA**

Notes to Financial Statements  
For the Year Ended December 31, 2011

**Note 8      Other Postemployment Benefits**

The Court has implemented Governmental Accounting Standards Board (GASB) Statement 45 which addresses the reporting and disclosure requirements for other post employment benefits (OPEB). GASB Statement 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions," requires the long-term cost of retirement health care and obligations for other postemployment benefits be determined on an actuarial basis and reported similar to pension plans.

**Plan Description.** The District provides for the payment of hospitalization and life insurance premiums through the Terrebonne Parish Consolidated Government for retired employees. The Court will fund the entire premium for all employees retiring with at least ten years service or retiring from the formal retirement systems. A retired employee may be provided dependent hospitalization coverage at a cost depending on their retirement date. The cost of providing this benefit is recognized as expenditure as premiums are paid from both the IV-D and Law Clerk funds. For the current year the Court did not pay any amounts for retiree benefits.

Terrebonne Parish Consolidated Government contracts with an actuarial consultant to provide an actuarial valuation of the OPEB liability under GASB Statement 45. GASB 45 requires at least biennial valuations for plans with membership over 200, unless significant changes since the last valuation. The Parish selected Lewis & Ellis, Inc. to perform an actuarial valuation of its postemployment healthcare plans with a valuation date of January 1, 2010. There were no significant changes that would warrant a new valuation. Therefore, the most recent OPEB liability actuarial valuation was completed for the plan year that ended December 31, 2010.

**Funding Policy.** GASB Statement 45 does not mandate the prefunding of postemployment benefits liability. The Court currently funds these benefits on a pay-as-you-go basis. No assets have been segregated and restricted to provide postemployment benefits.

**Annual OPEB Cost.** The annual required contribution (ARC), an actuarially determined rate, represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize unfunded actuarial liabilities over a period not to exceed twenty-five (25) years.

**THIRTY-SECOND JUDICIAL DISTRICT COURT  
TERREBONNE, PARISH LOUISIANA**

Notes to Financial Statements  
For the Year Ended December 31, 2011

**Note 8 Other Postemployment Benefits (continued)**

The following table represents the OPEB costs for the year and the annual required contribution:

Annual OPEB Cost and net OPEB Obligation	IV-D Program Fund	Law Clerk Fund	Total
Annual Required Contribution	\$ 4,832	\$ 8,836	\$ 13,668
ARC Adjustment	(1,084)	(1,755)	(2,839)
Interest Adjustment to Net OPEB Obligation	1,196	1,937	3,133
Annual OPEB Cost	4,944	9,018	13,962
Contributions Made	-	-	-
Increase in Net OPEB Obligation	4,944	9,018	13,962
Net OPEB Obligation - beginning of year	31,531	52,052	83,583
Net OPEB Obligation - end of year	\$ 36,475	\$ 61,070	\$ 97,545

**Funding Status and Funding Progress**

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress provides multiyear trend information (only one year available) that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

**THIRTY-SECOND JUDICIAL DISTRICT COURT  
TERREBONNE, PARISH LOUISIANA**

Notes to Financial Statements  
For the Year Ended December 31, 2011

**Note 8 Other Postemployment Benefits (continued)**

**Actuarial Methods and Assumptions.** The valuation of the plan is based on assumptions with regard to the survival of plan members, the average per-capita claim costs, when current employees are expected to retire, and so forth. The assumptions were derived from a combination of plan experience, actuarial judgment and the Parish's pension annual financial report. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of plan assets.

Significant methods and assumptions were as follows:

- For mortality, we have used the sex-distinct RP-2000 Combined Healthy Mortality Table.

Discount rate – 4.5%

Actuarial cost method - Entry age normal

Actuarial valuation date 1/1/2010

Remaining amortization period - 30 years

Projected salary increases - 3%

**REQUIRED SUPPLEMENTAL  
INFORMATION SECTION**

**THIRTY-SECOND JUDICIAL DISTRICT COURT**  
**TERREBONNE PARISH, LOUISIANA**  
*Budgetary Comparison Schedule - General Fund*  
*For the Year Ended December 31, 2011*

	Original Budget	Final Budget (No Amendments)	Actual	Variance: Positive (Negative)
<b>REVENUES</b>				
Court Fines & Fees	\$ 457,600	\$ 457,600	\$ 413,218	\$ (44,382)
Interest	25,800	25,800	11,750	(13,850)
Payments received on behalf	738,000	738,000	950,059	212,059
	<u>1,221,200</u>	<u>1,221,200</u>	<u>1,375,027</u>	<u>153,827</u>
<b>EXPENDITURES - JUDICIAL:</b>				
Current:				
Salaries and benefits	255,000	255,000	258,548	(3,548)
Salary and benefit payments on behalf	738,000	738,000	950,059	(212,059)
Accounting and auditing	2,750	2,750	2,167	583
Office operations	4,500	4,500	2,646	1,854
Court room operations	56,000	56,000	62,051	(6,051)
Insurance	56,500	56,500	56,889	(389)
	<u>1,112,750</u>	<u>1,112,750</u>	<u>1,332,360</u>	<u>(219,610)</u>
Capital outlay	-	-	-	-
Total Expenditures	<u>1,112,750</u>	<u>1,112,750</u>	<u>1,332,360</u>	<u>(219,610)</u>
Revenue Over (Under) Expenditures	108,450	108,450	42,667	(65,783)
<b>FUND BALANCES</b>				
Beginning of year	3,442,789	3,442,789	3,282,288	(160,501)
End of year	<u>\$ 3,551,239</u>	<u>\$ 3,551,239</u>	<u>\$ 3,324,955</u>	<u>\$ (226,284)</u>

**THIRTY-SECOND JUDICIAL DISTRICT COURT**  
**TERREBONNE PARISH, LOUISIANA**  
*Budgetary Comparison Schedule - Court Fund*  
*For the Year Ended December 31, 2011*

	Original Budget	Final Budget (No Amendments)	Actual	Variance: Positive (Negative)
<b>REVENUES</b>				
Court Fines & Fees	\$ 67,500	\$ 67,500	\$ 78,106	\$ 10,606
Interest	6,500	6,500	-	(6,500)
Miscellaneous	5,000	5,000	-	(5,000)
	<u>79,000</u>	<u>79,000</u>	<u>78,106</u>	<u>(894)</u>
<b>EXPENDITURES - JUDICIAL:</b>				
Current:				
Accounting and auditing	1,600	1,600	2,167	(567)
Office operations	1,250	1,250	1,383	(133)
Court room operations	24,400	24,400	19,629	4,771
Division A	4,000	4,000	2,934	1,066
Division B	5,500	5,500	4,337	1,163
Division C	4,350	4,350	3,195	1,155
Division D	5,050	5,050	1,787	3,263
Division E	2,850	2,850	5,573	(2,723)
Miscellaneous	21,200	21,200	10,556	10,644
	<u>70,200</u>	<u>70,200</u>	<u>51,561</u>	<u>18,639</u>
Capital outlay	11,200	11,200	12,937	(1,737)
Total Expenditures	<u>81,400</u>	<u>81,400</u>	<u>64,498</u>	<u>16,902</u>
Revenue Over (Under) Expenditures	(2,400)	(2,400)	13,608	16,008
<b>FUND BALANCES</b>				
Beginning of year	270,438	270,438	365,249	94,811
End of year	<u>\$ 268,038</u>	<u>\$ 268,038</u>	<u>\$ 378,857</u>	<u>\$ 110,819</u>

**THIRTY-SECOND JUDICIAL DISTRICT COURT**  
**TERREBONNE PARISH, LOUISIANA**  
*Budgetary Comparison Schedule - IV-D Program*  
*For the Year Ended December 31, 2011*

	Original Budget	Final Budget (No Amendments)	Actual	Variance: Positive (Negative)
<b>REVENUES</b>				
Child Support Fees	\$ 600,000	\$ 600,000	\$ 546,031	\$ (53,969)
Interest	6,500	6,500	5,322	(1,178)
	<u>606,500</u>	<u>606,500</u>	<u>551,353</u>	<u>(55,147)</u>
<b>EXPENDITURES - JUDICIAL:</b>				
Current:				
Salaries and benefits	130,500	130,500	139,712	(9,212)
Accounting and auditing	3,000	3,000	2,167	833
IV-D Program	300,000	300,000	218,115	81,885
Office operations	493,700	493,700	79,439	414,261
Court room operations	10,900	10,900	15,244	(4,344)
Insurance	35,500	35,500	33,196	2,304
	<u>973,600</u>	<u>973,600</u>	<u>487,873</u>	<u>485,727</u>
Capital outlay	6,500	6,500	32,395	(25,895)
Total Expenditures	<u>980,100</u>	<u>980,100</u>	<u>520,268</u>	<u>459,832</u>
Revenue Over (Under) Expenditures	(373,600)	(373,600)	31,085	404,685
<b>FUND BALANCES</b>				
Beginning of year	1,403,127	1,403,127	1,567,768	164,641
End of year	<u>\$ 1,029,527</u>	<u>\$ 1,029,527</u>	<u>\$ 1,598,853</u>	<u>\$ 569,326</u>

***REPORTS REQUIRED BY  
GOVERNMENT AUDITING  
STANDARDS***



# STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

---

## REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Judges of the Thirty-Second Judicial District  
Terrebonne Parish, Louisiana  
Houma, LA

We have audited the financial statements of the Thirty-Second Judicial District Court; a component unit of the Terrebonne Parish Consolidated Government for the year ended December 31, 2011 and has issued our report thereon dated March 14, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Internal Control over Financial Reporting

In planning and performing our audit, we considered the Thirty-Second Judicial District Court's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the internal control over financial reporting.

*A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a remote possibility that a material misstatement of the financial statements will not be prevented or detected and corrected on a timely basis.*

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Thirty-Second Judicial District Court's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended for the information of management. However, this report is a matter of public record and its distribution is not limited. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Stagni & Company*

Thibodaux, Louisiana  
March 14, 2012



**THIRTY-SECOND JUDICIAL DISTRICT COURT**  
**TERREBONNE PARISH, LOUISIANA**  
**SCHEDULE OF CURRENT YEAR FINDINGS**  
*For the Year Ended December 31, 2011*

***Section I - Summary of Auditor's Reports***

- The auditor's report expresses an unqualified opinion on the basic financial statements.
- No deficiencies in internal control over financial reporting were disclosed during the audit of the financial statements.
- No instances of noncompliance or other matters under *Government Auditing Standards* were disclosed during the audit of the financial statements.
- No instances of noncompliance under the provisions of Louisiana Governmental Audit Guide were disclosed during the audit of the basic financial statements.
- The District Court neither received nor expended any federal awards during the year.

***Section II - Financial Statement Findings***

- There were no financial statement findings during the audit of the basic financial statements.

***Section III - Federal Award Findings and Questioned Costs***

- There were no federal awards received during the fiscal year.